

The Indiana Charity Gaming News is published biannually in April and October by the Indiana Department of Revenue.

If you have suggestions, questions or comments about this publication, please direct them to: The Editor, *Indiana Charity Gaming News*, Charity Gaming Section, Compliance Division, Indiana Department of Revenue, IGCN, 100 N. Senate Avenue, Room 203, Indianapolis, IN 46204. You may also e-mail kshadowens@dor.IN.gov.

For questions on Charity Gaming activities, call (317)232-4646. For nonprofit questions, call our nonprofit office at (317)232-2188.

For all other taxpayer services, please call our Taxpayer Services Division at (317)232-2240.

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Sales Tax Information
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To obtain state tax forms:
Forms Order Line
(317) 615-2581
prequest@dor.IN.gov

Tax Fax Ordering Line
(317) 233-2329

IDOR Web Site
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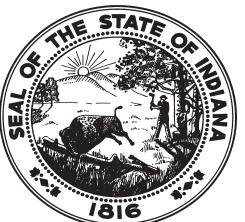
Internal Revenue Service
1-800-829-1040 (general)
1-877-829-5500 (exempt)

IRS Web Site
www.irs.gov

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is a biannual publication of information and issues of interest to the Indiana charity gaming community.

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Visit the department on the Internet at: www.IN.gov/dor

Toll-Free Tips Hotline **800-528-3835**

The Indiana Department of Revenue has established a new toll-free tips hotline for complaints regarding charity gaming infractions among nonprofit organizations.

Anyone can call this number 24 hours-a-day and leave a detailed message. You do not need to leave personal information if you wish to remain anonymous.

Complaints regarding for-profit businesses holding gaming events should be made through your local county Prosecutor's Office.

Volume VI, No. 1

Texas Hold 'Em Tournaments -- Are They Legal in Indiana?

Department and may be:

- 1) nonprofit organizations not "qualified" with the State,
- 2) qualified nonprofit organization failing to obtain the proper licenses, or
- 3) businesses illegally conducting such gaming tournaments.

With the interest in high-stakes poker games such as Texas Hold 'Em increasing in popularity due to a barrage of televised tournaments, the Indiana Department of Revenue is receiving inquiries daily regarding such tournaments.

However, many more organizations and businesses are *not* contacting the

New Supervisor Named for Charity Gaming and Nonprofit Section

Kimberly Hall has been appointed the new Supervisor over the Charity Gaming and Nonprofit Section of the Indiana Department of Revenue to replace retiring Janice Barton.



KIMBERLY HALL NAMED
NEW SUPERVISOR,
CHARITY GAMING AND
NONPROFIT SECTION

Kim has been with the Department for thirteen years, while twelve of those years have been in the Charity Gaming Section. Kim brings a vast knowledge of the Charity Gaming statutes and regulations with her into this new position. We wish her the best in this new endeavor.

(SEE ARTICLE ON JANICE BARTON ON Pg. 2.)

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CHECK YOUR CALENDAR...

DOES YOUR LICENSE EXPIRE IN MAY?

HAVE YOU SUBMITTED YOUR ANNUAL BINGO AND PULL TAB LICENSE RENEWAL APPLICATION YET?



Renewal applications for annual bingo and pull tab licenses that expire May 31, 2005, have been mailed and are due back to us by **May 10, 2005**. If you have not received your renewal packet by April 15, please call us. Remember, without a license by June 1, 2005, you must cease charity gaming activities.

Please check your renewal applications over carefully to avoid these common errors:

- 1) forgetting to include a check for payment,
- 2) failure to include the signatures of two officers who live in the same county as the proposed bingo events will be held, and
- 3) failure to include daytime contact telephone numbers.

2005 Charity Gaming Seminars Being Planned

Our annual charity gaming educational seminars are currently being planned for fall, 2005.

Once the Indiana General Assembly has concluded, a more definite schedule will be announced.

Last year, the following numbers of people attending the seminars were as follows: Jasper, 104; Lafayette, 68; Indianapolis, 185; Plymouth, 124; and, Clarksville, 102.

Retirement Commeth for Janice Barton

After 31 years with Revenue, **Janice Barton**, supervisor of Revenue's Non-profit and Charity Gaming Sections, has retired.

Janice began her long career with the Department in 1973 as the only employee in the Nonprofit Section. She eventually became supervisor of the Corporation Tax Division (which included nonprofit organizations back then). Her last move was to Charity Gaming, bringing nonprofits with her, where she remained until she retired.

Janice says her most favorite part of her job was the challenge of working with taxpayers. Janice was able to practice her public speaking skills at charity gaming educational seminars in cities all around the State, while representing the Department.

"Supervisors don't always get to work directly with taxpayers," she says, "and, when they do, it's often not in the best of circumstances."

Her second most favorite part of her job was the challenge of working with ever-changing laws, rules and regulations.



DEPUTY COMMISSIONER LARRY MCKEE PRESENTED JANICE BARTON WITH A CERTIFICATE OF APPRECIATION FOR HER 31 YEARS OF SERVICE TO REVENUE BEFORE HER RETIREMENT.

Janice will have no problem finding activities to keep her busy during her "retirement." She is a big fan of the Indianapolis Colts and any sport to do with Purdue University.

But, mostly, Janice likes traveling, spending time with her family (she has five daughters!), reading and music. She has already completed one cruise since retirement and had a ball, Janice reports!

USE CAUTION!

Two events in one night only once!

Organizations qualified for charity gaming events are allowed to have two events on the same night, but only one time a year. For instance, you may conduct a raffle and a charity gaming night at the same time.

However, remember, each event requires its own application (CG-3) and its own financial statement (CG-9).



REMEMBER!

CG-9 due 10 days after event!

Organizations should remember that a financial report, Form CG-9, is due 10 days after a licensed event is held. The Department also requires a yearly report, Form CG-22, to be filed each August. The Form CG-22 is a fiscal year reporting from July to June. All organizations that have held a single event license, even if only one event was held, are required to complete and submit Form CG-22. This form is due by August 15th.



Organizations, Beware!

The Indiana Department of Revenue has been approached by an out-of-state vendor proposing to enter into joint ventures with Indiana nonprofit organizations that are qualified to conduct charity gaming activities.

The vendor is wanting the nonprofit organizations to sell promotional sweepstakes coupons.

After entering into the agreement, the qualified organization becomes obligated to purchase a number of sweepstakes coupons, which the qualified organization, in turn, arranges to sell to both member and nonmember participants.

The sweepstakes coupon allows the purchaser to obtain a discount on a subsequent retail purchase. In addition, the sweepstakes coupon provides the purchaser a chance to win money in a sweepstakes typically tied to the outcome of a national sporting event, such as football or basketball.

The qualified organization sells the sweepstakes coupons for approximately \$10, makes cash payouts to the sweepstakes winner, and returns a portion of the \$10 to the out-of-state vendor.

The Department has determined that the sale of the sweepstakes coupons is not an allowable event permitted under the Indiana charity gaming laws.

In addition, qualified organizations are not permitted to enter into joint ventures for the conduct and operation of charity gaming events.

Tempting as the out-of-state vendor's fundraising proposal may be, qualified organizations are cautioned that the proposed sale of sweepstakes coupons is illegal.

Texas Hold 'Em Tournaments -- Continued from Pg. 1

If a qualified nonprofit organization plans to have an event, and if the total retail value of all prizes will be less than \$1,000 per event (\$3,000 maximum for the year), it may file an Application for Exemption Letter (AEL) for a non-licensed event, instead of a one-day Charity Game Night license.

It is illegal for such events to be held weekly in Indiana, even by nonprofit organizations.

Frequently, the Department receives requests for such tournaments from businesses, such as taverns or bars, wishing to hold such events weekly. The Department regulates only nonprofit agencies conducting charity gaming activities. Since Indiana law makes such dice, card and wheel games illegal for businesses, except licensed Indiana riverboats, those cases should be referred to either the pertinent county prosecutor's office or the Attorney General's Office.

Nonprofit organizations must be aware that licenses are required and need to be familiar with the types of licenses they need to conduct the activities being planned.

All such events must be conducted solely by the organization's membership — no one outside the organization can run events for them. Individuals or companies have been known to contact Indiana nonprofit organizations about holding a tournament for the organizations for a percentage of the profits. Such activity is considered contracting and is a class D felony.

In order to apply for a Charity Game Night license (Texas Hold 'Em), your organization must complete Form CG-3 or Form AEL and submit the application at least eight weeks prior to the event date. Please remember that your organization can not enter into

any verbal or written contract with a company or other entity to help run your Texas Hold 'Em tournament.

If you have any questions, please call our Charity Gaming Section at (317) 232-4646.



STATE HOLIDAYS

Indiana Department of Revenue's offices will be closed on the following holidays observed by the State of Indiana in 2005.

| | |
|-------------|------------------|
| May 30 | Memorial Day |
| July 4 | Independence Day |
| September 5 | Labor Day |
| October 10 | Columbus Day |

Help Available for Compulsive Gamblers

Indiana Problem Gambling Referral Line
(Indiana Council on Problem Gambling)
Referrals to 12-step or other treatment programs. 1-800-9 WITH IT (1-800-994-8448)

National Council on Problem Gambling
1-800-522-4700

The National Center for Responsible Gaming
Devoted exclusively to funding scientific research on the problem of pathological and youth gambling. (www.ncrg.org)

The North American Training Institute, a division of the Minnesota Council on Compulsive Gambling, Inc. (www.nati.org)

Gamblers Anonymous
Anonymous 12-step program for men and women with a desire to stop gambling. (www.gamblersanonymous.org)

Gam-Anon
Support for family members and close friends of compulsive gamblers. (www.gam-anon.org)